

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS & ENERGY

Investigation by the Department of
Telecommunications and Energy
on its own Motion into Distributed
Generation

DTE No. 02-38

INITIAL COMMENTS OF THE E CUBED COMPANY AND THE JOINT SUPPORTERS¹
ENDORISING THE REALENERGY COMMENTS

1. Pursuant to the Order Opening Investigation Into Distributed Generation dated June 13, 2002, The E Cubed Company, LLC, on behalf of itself and the Joint Supporters,² a voluntary association described below, offers the following comments in response to the Department's Investigation into Distributed Generation. These comments generally support and supplement the comments filed by RealEnergy.

2. The E Cubed Company, LLC. ("E Cubed") is a Delaware corporation that provides strategic energy services throughout the United States and Canada. Founded in 1989, E Cubed has assisted in the development of market rules and project opportunities for distributed energy and demand resources in twelve states, and in the development of market rules at the three Independent System Operators in the Northeast, at the Federal Energy Regulatory Commission, and in legislative settings. The firm has represented clients in distributed generation rulemakings interconnection standardization processes for small and large generation in six States and at FERC. The E Cubed Company, LLC currently has offices in New York, Maine, and Texas. E Cubed has served as the facilitator of the Joint Supporters.

3. Joint Supporters is a twelve-year-old voluntary association of suppliers of robust competitive energy services, including electricity, natural gas, and new technologies and services. Its associated entities participating in this proceeding have strong interests in distributed generation and related service opportunities. It has participated in the generic restructuring case before the Department and in other States addressing distributed generation and restructuring issues. It has participated in the FERC RTO proceedings and in mediation and merger

¹ The Joint Supporters include for this purpose, the Distributed Power Coalition of America (DPCA), Capstone Turbines, and IEC Engineering, P.C. Siemens Building Technology, District One (which serves Western Massachusetts, Vermont, and upstate New York) and Harbec Plastics, Inc. They can be reached via The E Cubed Company, LLC. The recent filings of Joint Supporters are available at <http://www.ecubedllc.com>.

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proceedings with a number of participants in the markets of Massachusetts. The E Cubed Company, LLC and the Joint Supporters are full voting members of the New England Demand Response Initiative. (NEDRI).

4. For the reasons stated herein, the Joint Supporters, including the Distributed Power Coalition of America (DPCA), Capstone Turbines, and IEC Engineering, P.C. and Siemens Building Technology, District One (which serves Western Massachusetts, Vermont, and upstate New York) and Harbec Plastics, Inc. generally support the comments by their fellow Joint Supporters Company, RealEnergy, Inc. The Joint Supporters look forward to working with the Department and other Massachusetts stakeholders to reduce barriers to DG in the electricity industry.

5. General Comments. We strongly encourage the Department to take advantage of the experience in other States and at the Federal level in order to provide level playing opportunities for distribution generation.

We the following selective specific comments supplemental to RealEnergy's comments to the Department's questions in turn below:

1. Refer to current distribution company interconnection standards and procedures in Massachusetts. Do these standards and procedures act as a barrier to the installation of distributed generation? If so, please describe.

See RealEnergy Comment.

1(a). If the current standards and procedures act as barriers to the installation of distribution generation, please describe what steps the Department should take to remove these barriers. As part of this response, please discuss whether the Department should establish uniform technical interconnection standards and procedures for distributed generation.

See RealEnergy Comment.

Massachusetts should adopt interim interconnection standards largely modeled on the interconnection standards adopted in California (the "CA Standards") or Delaware. The Delaware Standards for Conectiv were developed in a collaborative process including the distribution company, the Joint Supporters and other stakeholders. A copy of the Delaware Standards is attached to this comment. They are available at <http://www2.state.de.us/publicadvocate/dpa/html/self_gen.asp>

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1(b) Please comment on whether the Department should adopt the IEEE's uniform technical interconnection standards, or the uniform standards adopted by other states, for use in Massachusetts.

See RealEnergy Comment.

2. Refer to current distribution company standby service tariffs. Do these tariffs act as a barrier to the installation of distributed generation? If so, please describe.

The process should consider the potential application of interruptible Standby Tariffs.

See RealEnergy Comment.

3. Please discuss the role of distributed generation with respect to the provision of reliable, least-cost distribution service by the Massachusetts distribution companies. What steps should the distribution companies take in order to identify areas where the installation of distributed generation would be a lower-cost alternative to system upgrades and additions? What steps should the distribution companies take to encourage the installation of cost-effective distributed generation in their service territories?

See RealEnergy Comment.

4. What other issues are appropriate for consideration as part of the Department's investigation of distributed generation?

See RealEnergy Comment.

Conclusion

Please do not hesitate to contact any of the undersigned parties should you have any questions. Again, we thank you for the opportunity to submit these comments.

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Very Truly Yours,

A handwritten signature in black ink, reading "Ruben S. Brown". The signature is fluid and cursive, with a large initial "R" and a stylized "S" and "B".

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